

BellSouth's New GA-LA 271 Application

Contains Critical TELRIC Errors

- I. TELRIC Problems with Switching; Compare Kentucky \$4 Switching Rate
 - A. Completely Unclear How BellSouth Derived Material Prices For Switches in Georgia and Louisiana
 - B. Completely Unclear What Discount BellSouth Uses For Switches in Georgia and Louisiana
 - C. Loading Factor Is Not Justified in Georgia and Louisiana
 - 1. Same Percentage Factor Is Applied No Matter the Size of the Switch (or Cable Size for Loops)
 - D. Non-Substantiated Features Costs Raise Switching Rates by \$2.20/Line/Month in Louisiana
- II. Georgia Loop Rates Are \$1.72 Too High and That Is Before Correcting Loading Factors
 - A. Fill factors In Georgia Cost Study Are Too Low
 - 1. Fill Factors For Copper Distribution, Copper Feeder, And Fiber Feeder Are Well Below Those Used In The FCC's Synthesis Model
 - 2. Using Synthesis Model Average For Copper Distribution Fill Lowers Loop Cost By \$0.64/Line/Month
 - 3. Using Synthesis Model For Copper Feeder And Fiber Feeder Fill Lowers Loop Cost By \$0.68/Line/Month
 - B. Drop Lengths in Georgia Study Are Far Too Long
 - 1. Drop Lengths Are Almost Four Times the National Average; Using National Average Lowers Loop Costs by \$0.34/Line/Month
 - 2. BellSouth's Drop Lengths Assume An Average Lot Size of 2 to 3 Acres
 - C. BST Uses A Business/Residential Mix In Computing Loop Costs That Is Inconsistent With Its Own ARMIS Data And That Inflates Costs by \$0.32/Line/Month in Georgia

D. Loading Factor Is Not Justified in Georgia and Louisiana

1. Same Percentage Factor Is Applied No Matter the Cable Size (Same Problem As For Switching), Which Doubles Loop Costs In Georgia
2. Instead of This Factor, Synthesis Model Uses \$/foot Amount to Add LEC Engineering

E. BellSouth Does Not Use the Most Efficient Forward Looking Technology in Georgia and Louisiana

1. BellSouth Uses UDLC In Its Stand-Alone Loop Studies, Which Boosts Costs By Over a Dollar/Month/Line
2. Of the IDLC In BellSouth's UNE Platform Loop Studies, BellSouth Does Not Use the Industry Standard GR-303

III. BST Adds Improper DUF Charges in Georgia and Louisiana

A. Costs Recovered In DUF Charges Are Already Included In The Shared And Common Costs That Are Added On To The UNE Rates

B. DUF Charges Should Be Eliminated, Or The UNE Rates Should Be Adjusted To Remove These Costs